GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2655
ANSWERED ON:11.12.2006
MNCs IN PHARMA SECTOR
Hasan Chaudhary Munawwar

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the details of the Multi National Companies (MNCs) who got 100 percent subsidiaries and the year since they are operating in the country;

(b) whether these MNCs are manufacturing their products or they only importing the finished drug;

(c) if so, the details thereof along with products range and the profit margins; and

(d) the steps being taken by the Government to prevent the fraudulent transfer pricing?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K.HANDIQUE)

(a) to (d): According to information made available by Department of Industrial Policy & Promotion 100% Foreign Equity was approved in Drugs & Pharmaceutical Sector from 1.1.2003 to 30.9.2006 for 27 Companies. These Companies are mainly engaged in the manufacturing of Bulk Drugs, Research and Development, buying/selling etc. Statutory framework has been provided under Section 92 to Section 92F of the Income Tax Act, 1961 to prevent manipulations in transfer pricing.